

BROKER'S AGREEMENT
("Agreement")

PARTIES:

Blink Specialty Insurance Services Corp. , a California Company ("Blink"); AND

("BROKER") Name: _____

DBA: _____

RECITALS AND REPRESENTATIONS:

- A. **BROKER** is a licensed insurance brokerage firm in good standing in their Domiciled State with State Insurance License # _____ in state of _____;
- B. **BLINK** is a licensed California insurance brokerage firm in good standing (California license number 6015957);
- C. **BLINK** is a managing general agent/wholesale broker and has access to various insurance company markets;
- D. **BROKER** desires to place contracts of insurance with various of such insurance company markets, using the facilities and services of **BLINK**.

AGREEMENTS:

1. Submittals by BROKER. From time to time during the term of this Agreement, **BROKER** will submit applications to **BLINK** for specific risks on behalf of specific insureds. With respect to each such application, **BROKER**, to the extent that **BROKER** has knowledge of the facts contained therein, warrants and represents that those facts will be complete and accurate in all material respects. **BROKER** shall use all reasonable efforts to verify the information contained in each such application, and shall indemnify, defend (with counsel reasonably acceptable to **BLINK**), and hold **BLINK** harmless from the consequences of any inaccuracies in such information, including but not limited to any liability to insurers or insureds, claims, demands, damages, judgments, expenses (including reasonable and necessary attorney's fees) or other losses of any kind or nature. The parties agree that this Agreement shall apply to all business activities and policies placed or that may be placed by **BLINK** for **BROKER**, as well as amounts owed on any policies that were placed by **BLINK** for any entity acquired by **BROKER**.

2. Marketing by BLINK. Upon receipt of an application from **BROKER**, **BLINK** shall determine, within its sole and absolute discretion, whether the same is suitable for submittal to insurance company markets to which **BLINK** has access and, **BLINK** shall incur no liability to **BROKER**, the insured, or any other person for failure to place any risks under an application submitted by **BROKER**. Upon **BLINK**'s determination that an application is suitable for submittal to insurance company markets and obtaining additional

deposit/information from **BROKER** as **BLINK** deems necessary, **BLINK** will submit the application to the markets **BLINK** deems advisable to potentially place the desired coverage. Nothing in this Agreement shall be deemed to bind **BLINK** to accept any application for submission or to market the same, nor to submit any accepted application to all available markets, and the decisions to do or not to do the foregoing will be within the sole discretion of **BLINK**. **BLINK** shall have no responsibility to any insured, sub-agent, solicitor, or sub-producer of **BROKER** with respect to the adequacy, amount or form of coverage obtained through **BLINK**, if any.

BLINK shall not be required in any event to advance any funds on behalf of **BROKER** for any purpose, and **BROKER** understands and agrees that it shall remit to **BLINK** on a timely basis all funds, deposits and the like which **BLINK** may reasonably require before **BLINK** markets any application submitted by **BROKER**.

3. Capacity of BROKER. **BROKER** acknowledges that **BROKER** is the agent of each insured whose application is submitted to **BLINK** and that **BROKER** is acting on behalf of such insured with reference to any insurance policies issued on such application; and that **BROKER** is not the agent of **BLINK** nor of the insurance companies used by **BLINK**, and **BROKER** has no authority to bind **BLINK** or any of said companies. **BROKER** understands and acknowledges that as a managing general agent and wholesale broker, **BLINK** is an agent of various insurance carriers and **BROKER** shall not represent to any specific insureds that there exists an agency relationship between **BLINK** and the insured.

4. Financial Responsibilities of BROKER. **BROKER** shall be primarily liable to **BLINK** for the full amount of premiums, policy fees, inspection fees, California, and any other charges with respect to each insurance policy issued upon each application submitted by **BROKER**, any renewal of any such policy, any additional premiums resulting from audit, endorsement or other change, any retrospective penalties, any further premiums on any reporting policies, and any deductibles required to be collected from insureds. **BROKER** shall promptly remit all such amounts to **BLINK** when due.

BLINK will invoice **BROKER** on each risk where coverage is effected at the request of **BROKER**. Payment shall be due from **BROKER** on the dates indicated in the invoices and/or quotes/binders rendered by **BLINK** and may vary based on the credit terms of the issuing insurance company. **BROKER** agrees that payment of any minimum earned premium required by the issuing insurance company will be the responsibility of **BROKER**, and **BROKER** shall also be and remain liable to **BLINK** for all earned premiums, fees and other charges, whether or not collected from the insured by **BROKER**.

BROKER's payment responsibilities shall not be deemed waived, released or forgiven, nor shall it be deemed a novation if, for any reason, upon failure of **BROKER** to pay amounts due as above set forth, **BLINK** may seek to collect the same directly from the insured, it being agreed that, under such circumstances, **BLINK** shall be deemed to be acting as attorney in

fact for **BROKER** in seeking such collection, and no commissions will be payable to **BROKER** on any amounts so collected by **BLINK**.

BROKER shall be liable for all costs (other than ordinary salaries of regular **BLINK** employees) incurred by **BLINK** in securing payment of any amounts owed in accordance with the foregoing, including but not limited to collection fees, attorneys' fees and court costs, whether such costs be incurred in securing payment from **BROKER** or from **BROKER's** clients. **BROKER** waives any commissions on unpaid items on which **BLINK** incurs such costs.

5. Reporting Forms - Reporting by BROKER; Records. **BROKER** shall promptly report to **BLINK** all necessary information, such as gross receipts, payroll, mileage and values required on all reporting policies at least five (5) days prior to any date by which such report is due under the term of the applicable insurance policy. Such reports shall be on forms and in format prescribed by the issuing companies.

BROKER will keep complete records and account for all transactions pertaining to insurance written under this Agreement as required by applicable federal, state, or local laws, rules, and regulations and make these records available to **BLINK** for review upon request at any reasonable time during business hours.

6. No Flat Cancellations; Return Commissions. No policy may be returned by **BROKER** to **BLINK** for flat cancellation unless the policy is returned prior to its inception or effective date. Once coverage under an insurance policy has been bound, no flat cancellations shall be permitted except to the extent permitted by the insurer if otherwise prior to the inception or effective date of the policy. **BROKER** shall promptly refund to **BLINK** any unearned commissions on any returned policy or reduced premiums at the same rate at which commissions were originally allowed to **BROKER**.

7. Cancellation and Non-Renewal of Policies. The issuing insurance company shall have the right to cancel or non-renew any insurance policy issued under or in connection with this Agreement in accordance with the cancellation or non-renewal provisions applicable to such insurance policy and in conformity with any applicable laws, state department of insurance regulations and/or other legally binding regulations applicable thereto.

8. Notices of Expirations - Not an Obligation of BLINK. **BLINK** shall have no responsibility and shall be under no obligation to give **BROKER** advance notice of expiration of any insurance policy which **BROKER** from time to time procures through the facilities of **BLINK** or in connection with this Agreement. **BLINK** may elect, in its sole discretion, to give **BROKER** advance notice of expirations, but the failure of **BLINK** to do so, or any error or omission that may be committed in doing so, shall not render **BLINK** liable to **BROKER** or to **BROKER'S** insureds, and **BROKER** specifically agrees that it is not entitled to rely on **BLINK** for expiration notices and that the same are the sole responsibility of **BROKER** to determine and implement with its insureds.

9. Claims - Immediate Reporting and Cooperation by BROKER. **BROKER** shall immediately notify **BLINK** of all claims, suits and notices of loss reported to **BROKER** pertaining to insurance placed pursuant to or in connection with this Agreement, and shall fully cooperate with **BLINK** to facilitate the investigation, adjustment, and resolution of any such claim when and as requested by **BLINK**, and under such procedures as are prescribed by the issuing insurance company involved. **BROKER** agrees that **BROKER's** cooperation on all claims is a material condition for earning of **BROKER's** commission, and **BROKER** further agrees that should it fail to timely facilitate the investigation, adjustment, and resolution of any such claim when and as requested by **BLINK** then **BROKER** shall be liable to return the full amount of the commission paid to **BROKER** related to the policy upon which the claim is made. Absent unusual circumstances, **BROKER** shall report to **BLINK** in writing by facsimile transmission or e-mail each and every such claim the day it is received by **BROKER**. **BROKER** has no authority to adjust, compromise, settle or in any way commit **BLINK** or the issuing insurer to liability with respect to any claim presented to or through **BROKER**.

BROKER shall notify **BLINK** promptly of any claims, suits, or demands against **BLINK** arising out of or related to business placed under this Agreement, or circumstances that might reasonably be expected to give rise to such claim, suit or demand. **BROKER** further agrees to cooperate fully with **BLINK** to facilitate the investigation and adjustment of any claim when and as requested by **BLINK**, including without limitation by making available for review and copying all records, documents, and information of any kind arising out of or related to such claim or the underlying account.

10. No Advertising. **BROKER** shall not insert any advertisement referring to **BLINK** or to any insurer used by **BLINK**, or issue or cause to be issued any promotional letter, circular, pamphlet or other publication or statement so referring, without the express prior written approval of **BLINK** and of the insurer.

11. Compliance with Laws and Regulations. Without limiting any other provision of this Agreement, including but not limited to licenses required to be maintained under Section 14, **BROKER** shall comply with all applicable state and federal laws and regulations governing the conduct of the business which is covered by this Agreement, including, without limitation, the Federal Fair Credit Reporting Act.

12. Submittal by Broker on Behalf of Third Parties. If **BROKER** is submitting any business to **BLINK** which was directed to **BROKER** by a third party broker or agent, or by any other originating party, **BROKER** nevertheless shall be solely and fully responsible for such business and any expenses associated therewith, as if **BROKER** were the originating producer of such business.

13. Compliance with Instructions: Maintenance of Premium Trust Accounts. **BROKER** shall faithfully perform in every way its duties as **BROKER** under this Agreement in compliance with the reasonable and lawful instructions of **BLINK** and of the insurance companies

represented by **BLINK**. All premiums (net of **BROKER's** lawful commissions) and return premiums received by **BROKER** on insurance placed pursuant to or in connection with this Agreement shall be held by **BROKER** in premium trust accounts, in a fiduciary capacity separately from **BROKER's** personal or operating funds and solely for the benefit of the party entitled to payment of same. No payment accepted or received by **BROKER** for premium due or deposits shall be deemed paid to **BLINK**, however, until such payment shall be received in hand by **BLINK**.

14. Licenses of the Parties. Each party warrants that it has a valid insurance license in their state of domicile and in all other states in which said party transacts insurance business, and each will give the other immediate notice of any act or proceeding, whether actual, threatened, or imminent, which could, if adversely determined, reasonably be expected to result in cancellation, suspension, or other change in the status of such party's said license. Additionally, each party will give the other notice of any change in its legal status which might affect its said license. This Agreement shall terminate immediately and automatically upon the suspension or cancellation of the insurance license of either party.

15. Execution; Personal Guarantees. Each individual who executes this Agreement in a representative capacity represents and warrants that he or she has the full right, power and authority to execute this Agreement and to bind the entity or individuals on whose behalf he or she so signs.

This Agreement shall be executed by each shareholder, owner or partner in **BROKER** and each, by such execution, personally guarantees the performance by **BROKER** of all of its obligations hereunder.

16. Errors and Omissions; Hold Harmless; Indemnity; Maintenance of Insurance; Limitation of Liability. **BROKER** shall hold harmless, defend (with counsel reasonably acceptable to **BLINK**) and indemnify **BLINK**, its principals and employees from any loss, cost, expense (including but not limited to reasonable attorney's fees and costs of court), liability or any other consequence arising out of any alleged action, error and/or omission of **BROKER**, its agents, principals or employees, including but not limited to: (1) any claim or liability asserted against **BLINK** as a result of following **BROKER's** instructions; and/or (2) any actual or alleged act, error, omission, misstatement, misleading statement, breach of duty, or breach of this Agreement by **BROKER**.

BROKER shall take out and maintain professional liability insurance in form and substance satisfactory to **BLINK** with carriers acceptable to **BLINK** in a coverage amount of not less than \$1,000,000 per claim, which insurance shall name **BLINK** as an additional insured with respect to any insurance transactions contemplated in this Agreement, including but not limited to matters preceding and following policy issuance. Evidence of such insurance satisfactory to **BLINK** shall be provided to **BLINK** at the inception of this Agreement and the continued maintenance of such insurance by **BROKER** shall be confirmed to **BLINK**

by the carrier not less often than quarterly. Failure by **BROKER** to provide evidence and continued maintenance of such insurance to **BLINK** shall result in the cancellation of this Agreement as of the effective date of insurance cancellation or lapse.

BLINK SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND IN CONNECTION WITH THIS AGREEMENT, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, REGARDLESS WHETHER IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

17. Compensation of Parties; Commissions and Fees. Subject to the terms of this Agreement and **BROKER**'s satisfactions of its obligations under Section 4, **BROKER** shall earn, as a commission, a percentage (%) of pure premium (only) which percentage will be shown on individual quotations offered to **BROKER** for applicable coverage. Commission is not paid on any policy or billing fees. Commission is paid on an "as earned basis." If **BROKER** proposes to charge any brokerage fees, it shall do so strictly in accordance with Texas law and/or other applicable state laws and regulations, obtaining all required disclosure and consent statements from the insureds before such fees are charged.

18. Cancellation of Agreement; Continuing Responsibilities. This Agreement may be canceled at any time by written notice from one party to the other, which notice shall be effective when given and in accordance with its terms. In the event of termination for any reason or no reason, both parties shall continue to be bound, however, by all terms of this Agreement with respect to their rights and obligations accruing to the date of termination, the indemnity obligations set forth in Section 1 and/or Section 16 of this Agreement, the limitation of liability set forth in Section 16 of this Agreement, and their rights and ongoing obligations with respect to and through the conclusion of all outstanding insurances. Notwithstanding anything herein to the contrary, all representations, warranties, and obligations of **BROKER** under this Agreement shall survive termination, cancellation, or expiration of this Agreement for any reason. Furthermore, it is expressly agreed that after the date of termination of this Agreement, **BROKER** shall complete the collection and accounting to **BLINK** for all premiums, commissions, and other transactions unaccounted for on the date of termination or arising thereafter in respect of outstanding policies of insurance, including but not limited to, return premium and return commissions.

19. BROKER'S Ownership of Records and Use and Control of Expirations. In the event of termination of this Agreement, **BROKER** having accounted for and paid over all premiums and other amounts for which it is or may be liable, **BROKER'S** records and use and control of expirations shall remain the property of **BROKER**.

20. Waiver or Default. Failure of **BLINK** to enforce any provision of this Agreement or to cancel or terminate this Agreement because of a breach hereof by **BROKER** shall not be deemed to be a waiver of such provisions or of any breach committed by the **BROKER**.

21. Governing Laws and Venue; Severability. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to any choice or conflict of law provision of rule (whether of the State of Texas or any other jurisdiction) that would cause the application of laws of any other than those of the State of Texas. Any suit, legal action, or other proceeding arising out of or in connection with this Agreement shall be brought exclusively in the state or federal courts serving Tarrant County, Texas, and each party expressly consents to the exercise of personal jurisdiction by such courts and waives any challenge to jurisdiction based upon grounds of *forum nonconveniens*. If any clause or provision of this Agreement shall be adjudged invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision, which shall remain in full force and effect. Each of the provisions of this Agreement shall be enforceable independently of any other provision unless expressed otherwise herein.

22. Entire Agreement and No Reliance. This Agreement constitutes the entire agreement between **BLINK** and **BROKER** and supersedes and replaces any previous agreements between **BLINK** and **BROKER** relating to the subject matter hereof. No oral promises or representations shall be binding, nor shall this Agreement be modified, except by agreement in writing and executed by a duly authorized representative of **BLINK**. **BROKER** agrees that it has not relied on any representation or statement of **BLINK** in entering into this Agreement.

23. No Assignment. This Agreement may not be transferred, assigned, pledged, made subject to a security interest, or otherwise disposed of by **BROKER** in whole or in part. This Agreement may be assigned by **BLINK** to any of its affiliates, including without limitation to the surviving entity following any reorganization or merger, or to any entity acquiring all or substantially all of the assets of **BLINK**.

24. Attorney's Fees and Interest. **BROKER** agrees to pay all cost and expenses incurred by **BLINK** in any action or proceeding brought by **BLINK** to recovery sums due from **BROKER**, or otherwise enforce its rights, under the terms of this Agreement, including but not limited to reasonable attorney's fees. In any suit or proceeding to collect any amount due under this Agreement, the prevailing party shall be entitled to receive interest on the amount owed computed from the date the obligation accrued at the lesser of ten percent (10%) per annum or the maximum lawful rate of interest per annum that may be incurred by contract in the jurisdiction found to apply in Section 21.

25. Effective Date. The Effective Date of this Agreement is ____/____/____.
Month / Date / Year

IN WITNESS WHEREOF, the parties have executed this **BROKER'S AGREEMENT** on the dates herein below indicated, and the principal(s) of **BROKER** have personally guaranteed the obligations of **BROKER** hereunder.

("BROKER Information")

Name: _____

DBA: _____

SIGNATURE: _____

Date: _____

By: _____

Title: _____

(Print Your Name)

BLINK Underwriters LLC ("BLINK")

SIGNATURE: _____

Date: _____

By: _____

Title: _____

(Print Your Name)

PERSONAL GUARANTEES

The undersigned, as principals of

_____ **Insurance Brokerage**
(Firm Name)

Firm referred to in the foregoing **BROKER'S AGREEMENT** as "**BROKER**", hereby personally guarantee, jointly and severally, the performance by said of each and every one of **BROKER's** obligations under said **BROKER'S AGREEMENT**.

Each obligation guaranteed hereunder shall be fully enforceable as an original obligation of each of the undersigned guarantors upon failure of **BROKER** fully to perform such obligation within 30 days after written notice from **BLINK** to **BROKER** that the same has not been performed.

In the event that any action is brought to enforce any of the guarantees given herein, the prevailing party in such action shall be entitled to its reasonable attorneys' fees, in addition to any other relief provided for in law or equity.

GUARANTORS:

_____ Guarantor's Signatures	_____ Print Name	_____ Date
_____ Guarantor's Signatures	_____ Print Name	_____ Date
_____ Guarantor's Signatures	_____ Print Name	_____ Date
_____ Guarantor's Signatures	_____ Print Name	_____ Date